

# Pharmacy network optimization takes next steps in 2021

The goal of our pharmacy optimization work is to improve quality, safety, costs, and care outcomes for our members. We know that our members receive maximum value when they get care in Kaiser Permanente facilities, through our connected care teams and pharmacies.

As part of our optimization work, we are removing a number of pharmacies from our Core network and implementing new maintenance medication first-fill and refill policies for some of our 2021 health plans.

## Pharmacy network changes

Effective January 1, 2021, we are removing 51 Bartell pharmacies from our Core network in the Puget Sound region and 4 network pharmacies near the new Smokey Point Medical Center. There will be 16 Bartell pharmacies remaining in the Core network.

Approximately 23,000 Core, Elect PPO, and Options members will be affected by the pharmacy network changes. Access PPO and Medicare Advantage HMO Part D members will not be affected.

### How will members be notified?

We are sending letters to affected members in late October notifying them of the changes and explaining how to transfer their prescriptions to a Kaiser Permanente pharmacy, an in-network pharmacy, or our mail-order service.

### How have we prepared for these network changes?

Earlier this year, we opened the new Kaiser Permanente Smokey Point Medical Center in Marysville that includes a pharmacy, and a new stand-alone pharmacy in Bellingham. These facilities make it easier for members north of the Seattle area to access a Kaiser Permanente pharmacy. We also boosted promotion of our convenient mail-order pharmacy — work that's been accelerated by the COVID-19 pandemic.

Members are encouraged to use nearby Kaiser Permanente pharmacies and our mail-order service for added convenience and potential cost savings. We also offer same-day delivery in certain geographic areas around our medical centers.

### **Why are these changes being made?**

The changes are part of our ongoing business strategy to provide access to high-quality and affordable care. We're confident that once members start using Kaiser Permanente pharmacies more they'll experience greater benefits from our integrated care and coverage model, including improved quality, safety, cost, and care outcomes.

### **New medication first-fill and refill policies**

Our health plan offerings in 2021 include a more integrated and affordable prescription drug experience for our members.

Members on some of our plans may fill the first supply of a new maintenance drug at any in-network pharmacy or through mail order. (Maintenance drugs are medications used on a continuing basis for treatment of conditions such as diabetes and rheumatoid arthritis.) Subsequent refills must be filled via mail order or at a Kaiser Permanente pharmacy. Non-maintenance medications and those we cannot mail are not subject to these guidelines and may be filled at any in-network retail pharmacy, anytime.

In some cases, these new maintenance medication first-fill and refill guidelines are standard to the plan. For other plans, the rules are optional.

### **How do the guidelines vary from plan to plan?**

- **Individual and family:** The new rules apply to all individual and family plans. Members on Virtual Plus plans may fill up to a 30-day supply of new maintenance drugs initially. All other individual and family plan members may fill up to a 90-day supply.
- **Small group:** All small group plans that have access to our Connect or Core networks are affected by the new rules. Members who have Virtual Plus plans with Connect network access may fill up to a 30-day supply of new maintenance medications initially. Members with Core network access may fill up to a 90-day supply initially.
- **Large group:** The new rules are standard (not optional) for some plans and optional for others. The new rules for Virtual Plus and Summit PPO plans are standard, and members may fill up to a 30-day supply of new maintenance medications initially. For Core network and Access PPO plans, the new rules are optional. Core network plan members may fill up to a 90-day supply of a new maintenance drug initially. Access PPO plan members may fill up to a 30-day supply initially.
- **Medicare:** The new rules do not apply to Medicare plans.

### **Why are these changes being made?**

There are many advantages to members using Kaiser Permanente pharmacies and our mail-order service. Members can track their prescriptions and refills, chat online with a pharmacist, and more. Kaiser Permanente doctors, care teams, and pharmacists can view a member's complete health record and work together to track the medications a member is taking, monitor how well medications are working, and help avoid dangerous drug interactions and other safety issues.

In addition, our pharmacy staff works with our providers to prescribe less expensive generic drugs when medically appropriate, which can save members money. We also negotiate better drug prices in the national marketplace, which allows us to offer more competitive prices.

### **Do Kaiser Permanente pharmacies accept retail drug coupons?**

We accept manufacturer coupons for specialty drugs that are aligned with our preferred product use, but not for non-specialty drugs. We are not able to accept retail store prescription transfer coupons due to restrictions associated with being a health plan.

At Kaiser Permanente, we practice evidence-based medicine, and the selection of the medications in our drug formulary is based on safety, effectiveness, and cost of drugs in each therapeutic category. Our providers prescribe less expensive generic drugs when medically appropriate, which can save members money.

Our Medical Financial Assistance program is available to help low-income, uninsured, or underinsured patients pay for care and medications. Patients must meet the eligibility requirements to qualify.

### **Questions?**

For more information about our 2021 pharmacy changes, please contact your account manager.